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Department of the Treasury
Internal Revenue Service

Department of Labor
Pension and Welfare Benefit Programs

Pension Benefit Guaranty Corporation

1985 Instructions for Form 5500-R

Registration Statement of Employee Benefit Plan

(With fewer than 100 participants)

MAR 13 1986

(Code references are to the Internal Revenue Code. ERISA refers to the Employee Retirement Income Security Act of 1974.)

Notice

One Participant Plans

A one participant plan is a pension benefit plan that covers only an individual or an individual and his or her spouse who wholly own a trade or business, whether incorporated or unincorporated or a partner in a partnership or the partner's spouse, and should file Form 5500-R.

When you use Form 5500-R, you must attach **Schedule SSA (Form 5500),** Annual Registration Statement Identifying Separated Participants with Deferred Vested Benefits, **Schedule A (Form 5500),** Insurance Information, and **Schedule B (Form 5500),** Actuarial Information, if they are required to be filed.

Do NOT file Form 5500-R in place of Form 5500.

If you are filing for a plan year other than a calendar plan year, enter the beginning and ending dates of the plan year on the line immediately below the title of this form.

General Instructions

A. Who Must File.—Each plan administrator or employer who maintains an employee benefit plan covered by ERISA or a fringe benefit plan specified by Code section 6039D with fewer than 100 participants at the beginning of the plan year must file a return/report or a registration statement.

Some employee benefit plans covered by ERISA are also fringe benefit plans covered by Code section 6039D. These plans must complete all of the questions on the Form 5500-R that is required for both employee benefit plans and fringe benefit plans.

Fringe benefit plans that are covered only by Code section 6039D, that is, group legal services plans described in Code section 120, cafeteria plans described in Code section 125, and educational assistance programs described in Code section 127, complete only questions 1; 2; 3; 4; 5e,f,or g; 6a; 6b; and 6g on the Form 5500-R.

However, if you maintain an educational assistance program which is only required to file because of Code section 6039D and the program provides for only job-related training which is deductible under Code section 162, you do not need to file an annual information return.

Plans exempt from filing the Form 5500-C are not required to file the Form 5500-R.

B. When to File.—Form 5500-R should be filed by all one participant plans. One participant plans will file the Form 5500-R even if 1985 is the plan's first plan year or if it is the year the plan terminated. If this is a year of a plan termination be sure to correctly check items 6a and 6b. For plans other than one participant plans, a Form 5500-R may be filed instead of a Form 5500-C for plan years beginning in 1985, provided (a) a Form 5500-C or Form 5500-K has been filed for one of the prior two plan years and (b) this is not a year for which the plan's final return/report is due.

For plans other than one participant plans, the Form 5500-R should NOT be filed if (a) this plan year is the first plan year or (b) this is the plan year for which a final return/report is due, or (c) the Form 5500-R has been filed for both of the prior two plan years.

Note: *Generally, under the filing requirements explained above, if the number of plan participants increases from under 100 to 100 or more, or decreases from 100 or more to under 100, from one year to the next, you would have to file a different form from that filed the previous year. However, there is an exception to this rule. You may file the same form you filed last year, even if the number of participants changed, provided that at the beginning of this plan year the plan had at least 80 participants, but not more than 120.*

File all required forms and schedules by the last day of the 7th month following the end of the plan year unless extensions have been granted.

Request for Extension of Time to File.—An extension of time up to two and one-half months may be granted for filing a registration statement if a timely application, **Form 5558,** Application for Extension of Time to File Certain Employee Plan Returns, is filed requesting such an extension.

Exception: Single employer plans and plans of a controlled group of corporations that file consolidated Federal income tax returns are automatically granted extensions of time to file Form 5500, 5500-C, or 5500-R to the due date of the Federal income tax return of the single employer or controlled group of corporations, if all the following conditions are met:

(1) The plan year and the tax year coincide.

(2) The single employer or the controlled group has been granted an extension of time to file its Federal income tax return to a date later than the normal due date for filing the Form 5500, 5500-C, or 5500-R.

(3) A copy of the IRS extension of time to file the Federal income tax return is attached to each Form 5500, 5500-C, or 5500-R filed with IRS.

Note: *An extension of time to file the return/report does not operate as an extension to file the PBGC Form 1.*

Short Plan Year.—For a short plan year, file a registration statement and all applicable schedules by the last day of the 7th month following the end of the short plan year. Modify the heading of the form to show the beginning and ending dates of your short plan year.

Amended Registration Statement.—If you file an amended registration statement check the box at the top of the form designated "Amended" immediately below the year of the form. When filing an amended return be sure to put a circle around the item numbers that have been amended.

Caution: A penalty may be assessed for a Form 5500-R not timely filed.

C. Where to File.—Please use the addressed envelope that came with your return. If you do not have an envelope, or if you moved during the year, mail your return/report to the Internal Revenue Service Center indicated below. No street address is needed.

If your main office of plan sponsor or administrator is in—	File with the following Internal Revenue Service Center—
New Jersey, New York, Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, Delaware, Pennsylvania(ZIP Codes beginning with 169-171 and 173-196 only)	Holtsville, NY 00501
Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee	Atlanta, GA 31101
Indiana, Kentucky, Michigan, Ohio, West Virginia	Cincinnati, OH 45999
Arizona, Colorado, Kansas, New Mexico, Oklahoma, Texas, Utah, Wyoming	Austin, TX 73301
Alaska, Idaho, Oregon, Washington	Ogden, UT 84201
Illinois, Iowa, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, Wisconsin	Kansas City, MO 64999
California, Hawaii, Nevada	Fresno, CA 93888
District of Columbia, Maryland, Pennsylvania (ZIP Codes beginning with 150-168 and 172 only), Virginia	Philadelphia, PA 19255

If you have no legal residence, principal place of business, or principal office or agency in any Internal Revenue District, file your return with the Internal Revenue Service Center, Philadelphia, PA 19255.

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D. Signature and Date.—The plan administrator or sponsor who completes Form 5500-R must sign and date it. If the form is for a single-employer plan or a plan required to file because of Code section 6039D, the employer must also sign Form 5500-R.

If the plan administrator or sponsor is a joint employer-union board, both an employer representative and a union representative must sign and date the return/report.

E. Penalties.—ERISA imposes penalties for not giving complete information and not filing statements and returns/reports. These include:

A penalty of $25 a day (up to $15,000) for not filing returns in connection with certain plans of deferred compensation, certain trusts and annuities and bond purchase plans by the due date(s). See Code section 6652(f). This penalty also applies to returns required to be filed under Code section 6039D.

A penalty of $1 a day (up to $5,000) for each participant for whom a registration statement is required but not filed. See Code section 6652(e)(1).

A penalty of $1 a day (up to $1,000) for not filing a notification of change of status of a plan. See Code section 6652(e)(2).

A penalty of $1,000 for not filing an actuarial statement. See Code section 6692.

The preceding penalties may not be imposed if you attach an explanation for your failure to properly file this return/report.

The following penalties may be applied upon conviction:

Any individual who willfully violates any provision of Part 1 of Title I of ERISA shall be fined not more than $5,000 or imprisoned not more than one year, or both. See ERISA section 501.

A penalty of up to $10,000, 5 years imprisonment, or both, for making any false statement or representation of fact, knowing it to be false, or for knowingly concealing or not disclosing any fact required by ERISA. See section 1027, Title 18, U.S. Code, as amended by ERISA section 111.

F. Reproduction.—Original registration statements are preferred; however, legible reproductions of this form may be made after insertion of the required information. However, all signatures on forms filed with IRS must be original signatures, affixed after the reproduction process.

G. Change of Plan Year.—To change a plan year of certain qualified employee pension benefit plans, you must obtain prior approval from IRS. See Code section 412(c)(5), the related regulations, and **Form 5308,** Request for Change in Plan/Trust Year.

H. Schedule P (Form 5500).—Any fiduciary (trustee or custodian) of an organization that is qualified under Code section 401(a) and exempt from tax under Code section 501(a), who wants to protect the organization under the statute of limitations provided in Code section 6501(a) should file a Schedule P (Form 5500).

File the Schedule P (Form 5500) as an attachment to Form 5500, 5500-C, or 5500-R filed for the plan year in which the trust year ends.

Summary of Filing Requirements of Employers and Plan Administrators (File forms ONLY with IRS)

Type of plan	What to file	When to file
Pension plan with one participant or one participant and spouse	Form 5500-R	File all required forms and schedules for each plan by the last day of the 7th month following the end of the plan year.
Pension plan with fewer than 100 participants	Form 5500-C or 5500-R	
Pension plan with 100 or more participants	Form 5500	
Annuity under Code section 403(b)(1) and trust under Code section 408(c)	Form 5500, 5500-C, or 5500-R	
Custodial account under Code section 403(b)(7)	Form 5500, 5500-C, or 5500-R	
Welfare benefit plan with 100 or more participants	Form 5500	
Welfare benefit plans with fewer than 100 participants see Exceptions 1 and 2 on page 1 of the Form 5500-C Instructions	Form 5500-C or 5500-R	
Pension or welfare plan with benefits provided by an insurance company	Schedule A (Form 5500)	
Pension plan that requires actuarial information	Schedule B (Form 5500)	
Registration statement identifying separated participants with deferred vested benefits from a pension benefit plan	Schedule SSA (Form 5500)	

Specific Instructions for Form 5500-R

(References are to line items on the form)

1a. Enter the name and address of the plan sponsor. In all cases where the plan covers only the employees of one employer or this return is only being filed because of Code section 6039D, enter the name of the employer. When this form is used by an individual employer participating in a multiple-employer plan (other), the name of the participating employer should appear in 1a.

Please affix the removable label found on the package cover to the name and address area of the registration statement you file. If the name or address on the label is wrong, draw a line through the incorrect portion and enter the correct information.

The term ***"plan sponsor"*** means—

(i) the employer, in the case of an employee benefit plan established or maintained by a single employer,

(ii) the employee organization, in the case of a plan of an employee organization, or

(iii) in the case of a plan established or maintained jointly by one or more employers and one or more employee organizations, or by two or more employers—the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the plan.

Include enough information in 1a to adequately describe the sponsor. For example, Joint Board of Trustees for Local 187 Machinists, rather than just Joint Board of Trustees.

1b. Enter the nine-digit employer identification number (EIN) assigned to the plan sponsor/employer. For example, 00-1234567.

Employers and plan administrators who do not have an EIN should apply for one on Form SS-4, available from any IRS or Social Security Administration office.

Send Form SS-4 to the same Internal Revenue Service Center to which Form 5500-R will be sent.

Controlled groups of corporations whose sponsor is more than one of the members of the controlled group should only enter the EIN of one of the sponsoring members. This EIN is to be used in all subsequent filings of the return/report or registration statement for the controlled group.

If the plan administrator is a group of individuals, get a single EIN for the group. For example, when applying for a number, enter on line 1 of Form SS-4 the name of the group, such as "Joint Board of Trustees of the Local 187 Machinists' Retirement Plan."

1d. One participant plans filing for the first time, do not complete this item.

1e. If your plan year changed since the last Form 5500, 5500-C, or 5500-K was filed for this plan, check the box in this item.

2a. If the document constituting the plan appoints or designates a plan administrator other than the sponsor, enter the name and address.

2a and b. If the plan administrator is also the sponsor, enter "Same."

The term ***"administrator"*** means—

(i) the person or a group of persons specifically so designated by the terms of the instrument under which the plan is operated,

(ii) if an administrator is not so designated, the plan sponsor/employer, or

(iii) in the case of a plan for which an administrator is not designated and the plan sponsor cannot be identified, such other person as prescribed by regulations of the Secretary of Labor.

2b. A plan administrator as defined above must have an EIN for reporting purposes. Enter the plan administrator's nine-digit EIN here. If the plan administrator has no EIN, see 1b above.

Note: *Employees of an employer are not plan administrators unless so designated in the plan document, even though they engage in administrative functions of the plan. If an employee of the employer is designated as the plan administrator, that employee must obtain an EIN.*

3. If you answer "No," enter the name, address and EIN of the plan sponsor and/or the plan administrator as they appeared on the prior return/report or registration statement.

3c. Indicate if the change in 3a is only a change in sponsorship. "Change in sponsorship" means the plan's sponsor has been changed but no assets or liabilities have been transferred to another plan(s), the plan has not terminated or merged with any other plan, etc.

4a. Enter the formal name of the plan or sufficient information to identify the plan.

4b. Enter the date the plan first became effective.

4c. Enter the three-digit number the employer or plan administrator assigned to the plan. All welfare plans and plans that file for Code section 6039D will be numbered consecutively starting at 501. All other plans will be numbered consecutively starting at 001. If you have only one pension plan, enter 001. If you have only one welfare benefit plan, enter 501. Once a plan is terminated, the plan number may not be used for any other plan.

Once a plan number is used for a plan, it may not be used for any other plan, and this number must be used as the plan number for all future filings of returns/reports or registration statements for the plan.

Note: *5a and b refer to types of pension benefit plans only.*

5a. Defined benefit plan means a pension plan other than a defined contribution plan.

5b. Defined contribution plan means a plan which provides for an individual account for each participant and for benefits based solely on the amount contributed to the participant's account, and any income, expenses, gains and losses, and any forfeitures of accounts of other participants which may be allocated to such participant's account. For example, profit-sharing, stock bonus and money purchase plans.

5d. If your plan is not included in 5a or b, check d. For example, Code section 403(b)(1) annuity arrangements, and Code section 408(c) individual retirement account trusts of employers, enter the applicable Code section number.

5e, f, and g. Plans described in Code section 120 (group legal services plans) check box 5e. Plans described in Code section 125 (cafeteria plans) check box 5f. Programs described in Code section 127 (educational assistance programs) check box 5g. If you checked box 5e, 5f, or 5g and the benefits under the plan or program are paid as needed from the general assets of the employer, check unfunded, otherwise check funded.

6a. Check "Yes," if the plan was terminated or if the plan was merged or consolidated into another plan. If you checked 5e, 5f, or 5g and indicated this is an unfunded plan and also answered 6a "Yes," you must also check 6b "Yes."

6b. If the plan was terminated and trust assets were not completely distributed, a return/report or a registration statement must be filed for each year that the trust has assets. In such case, the return/report or the registration statement must be filed by the plan administrator, if designated, or by the person or persons actually responsible for the control, disposition or management of the cash or property received by or contributed to the plan.

If all trust assets were allocated to purchase individual annuity contracts and the contracts were distributed to the participants, check "Yes."

6g. For purposes of Code section 6039D, participant means any individual who, for a plan year, has had at least one dollar excluded from income by reason of Code section 120, 125, or 127.

6g and i. The descriptions of "participant" in the instructions below are only for purposes of items 6g and i of this form when it is filed as a requirement of ERISA.

For welfare plans, dependents are considered to be neither participants nor beneficiaries.

Participant means any individual who is included in one of the categories below:

(i) Active participants include any individuals who are currently in employment covered by a plan and who are earning or retaining credited service under a plan. This category includes any individuals who are currently below the integration level in a plan that is integrated with Social Security. Active participants also include any non-vested individuals who are earning or retaining credited service under a plan. This category does not include a non-vested former employee who has incurred a break in service the greater of one year or the break in service period specified in the plan.

(ii) Inactive participants receiving benefits are any individuals who are retired or separated from employment covered by the plan and who are receiving benefits under the plan. This category does not include an individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the individual is entitled under the plan.

(iii) Inactive participants entitled to future benefits are any individuals who are retired or separated from employment covered by the plan and who are entitled to begin receiving benefits under the plan in the future. This category does not include an individual to whom an insurance company has made an irrevocable commitment to pay all the benefits to which the individual is entitled under the plan.

(iv) Deceased participants are any deceased individuals who have one or more beneficiaries who are receiving or are entitled to receive benefits under the plan. This category does not include an individual if an insurance company has made an irrevocable commitment to pay all the benefits to which the beneficiaries of that individual are entitled under the plan.

Total participants include all participants in categories (i) through (iv) above.

Plan administrators are cautioned that Code section 6057(e) provides that the plan administrator is required to furnish participants with an individual statement which must include the same information reported on Schedule SSA for that participant.

7. Insured Plans.—Pension plans holding only allocated insurance contracts which fully guarantee the amount of benefit payments and for which no trust is involved need complete only item 7a. See 29 CFR 2520.104-44.

Definitions.—The following definitions are to assist the filer and are only for understanding this form.

(1) Fiduciary.—A person is a fiduciary with respect to a plan to the extent: (a) he or she exercises any discretionary authority or discretionary control respecting management of such plan or exercises any authority or control respecting management or disposition of its assets, (b) he or she renders investment advice for a fee or other compensation, direct or indirect, with respect to any moneys or other property of such plan, or has any authority or responsibility to do so, or (c) he or she has any discretionary authority or discretionary responsibility in the administration of such plan.

(2) Employer Real Property.—Real property (and related personal property) which is leased to an employer of employees covered by the plan, or to an affiliate of such employer.

(3) Employer Security.—A security issued by an employer of employees covered by the plan or by an affiliate of such employer.

(4) Qualifying Employer Security.—An employer security which is a stock or a marketable obligation is considered a qualifying employer security. For purposes of this definition, the term marketable obligation means a bond, debenture, note, or certificate, or other evidence of indebtedness (obligation) if:

(i) such obligation is acquired—

(A) on the market, either (1) at the price of the obligation prevailing on a national securities exchange which is registered with the Securities and Exchange Commission, or (2) if the obligation is not traded on such a national securities exchange, at a price not less favorable to the plan than the offering price for the obligation as established by current bid and asked prices quoted by persons independent of the issuer;

(B) from an underwriter, at a price (1) not in excess of the public offering price for the obligation as set forth in a prospectus or offering circular filed with the Securities and Exchange Commission, and (2) at which a substantial portion of the same issue is acquired by persons independent of the issuer; or

(C) directly from the issuer, at a price not less favorable to the plan than the price paid currently for a substantial portion of the same issue by persons independent of the issuer;

(ii) immediately following acquisition of such obligation—

(A) not more than 25% of the aggregate amount of obligations issued in such issue and outstanding at the time of acquisition is held by the plan, and

(B) at least 50% of the aggregate amount referred to in subparagraph (A) is held by persons independent of the issuer; and

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(iii) immediately following acquisition of the obligation, not more than 25% of the assets of the plan is invested in obligations of the employer or an affiliate of the employer.

(5) Qualifying Employer Real Property.—Employer real property is considered qualifying employer real property:

(i) if a substantial number of the parcels are dispersed geographically;

(ii) if each parcel of real property and the improvements thereon are suitable (or adaptable without excessive cost) for more than one use;

(iii) even if all such real property is leased to one lessee (which may be an employer or an affiliate of any employer); and

(iv) if the acquisition and retention of such property comply with the provisions of Part 4 of Title I of ERISA (other than ERISA section 404(a)(1)(B) to the extent it requires diversification, and ERISA sections 404(a)(1)(C), 406, and 407(a)).

7g. Party-in-interest.—For purposes of this form, party-in-interest is deemed to include a disqualified person—see Code section 4975(e)(2). The term party-in-interest means, for an employee benefit plan:

(A) any fiduciary (including, but not limited to, any administrator, officer, trustee or custodian), counsel or employee of an employee benefit plan;

(B) a person providing services to such plan;

(C) an employer any of whose employees are covered by such plan;

(D) an employee organization any of whose members are covered by such plan;

(E) an owner, direct or indirect, of 50% or more of—(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of a corporation, (ii) the capital interest or the profits interest of a partnership, or (iii) the beneficial interest of a trust or unincorporated enterprise that is an employer or an employee organization described in paragraph (C) or (D);

(F) a relative of any individual described in paragraph (A), (B), (C), or (E);

(G) a corporation, partnership, or trust or estate of which (or in which) 50% or more of—(i) the combined voting power of all classes of stock entitled to vote or the total value of shares of all classes of stock of such corporation, (ii) the capital interest or profits interest of such partnership, or (iii) the beneficial interest of such trust or estate, is owned, directly or indirectly, or held by persons described in paragraph (A), (B), (C), (D), or (E);

(H) an employee, officer, director (or an individual having powers or responsibilities similar to those of officers or directors) or a 10% or more shareholder, directly or indirectly, of a person described in paragraph (B), (C), (D), (E), or (G), or of the employee benefit plan; or

(I) a 10% or more (directly or indirectly in capital or profits) partner or joint venturer of a person described in paragraph (B), (C), (D), (E), or (G).

*U.S. GOVERNMENT PRINTING OFFICE: 1986-463-272